

## Targeting Prevention, Expanding Diversion

*This brief, Targeting Prevention, Expanding Diversion, describes how philanthropy can be instrumental in supporting the development of more targeted prevention strategies that reach households most likely to become homeless and help direct prevention resources to divert people from shelter stays and entering homelessness.*

In order to end homelessness, communities will not only have to implement strategies that house the people who are homeless now, but also strategies to prevent those who are not yet homeless from losing housing and joining the ranks of the homeless.

The term “prevention” refers to the provision of financial assistance, such as first month’s rent and security deposit or paying back rent owed to a landlord, accompanied by limited services designed to keep households from becoming homeless. Services can include such activities as case management, legal advocacy and housing locator services. The main purpose of homelessness prevention activities is to enable households to avoid the ordeal of a disruptive and costly episode of homelessness.

Prevention assistance that is specifically designed to keep a household from entering the formal homeless system, such as avoiding an emergency shelter stay, is often referred to as “diversion.” Diversion assistance may help a household at imminent risk of losing their housing to remain where they currently are or assist them to relocate to a more stable housing situation. In either case, it is diversion if its effect is that the household is prevented from entering a homeless-designated program such as an emergency shelter, or from hitting the streets.

### Where We Have Been

Prevention is widely thought of as a more humane and potentially cost-effective approach to addressing homelessness, and most communities recognize the potential importance of prevention in their planning goals. However, until the [Homelessness Prevention and Rapid Rehousing \(HPRP\)](#) program, included in the [2009 stimulus bill](#), relatively few resources were invested in this activity and the programs that existed were usually outside the conversation about ending homelessness that other homeless programs were engaged in.

Communities around the country historically had some prevention-oriented programs. These programs provided one-time support to low-income households facing a crisis that could lead to housing loss. Often this support was financial assistance with payment of overdue rent or utilities, or assistance with deposit for new housing. Many of these programs were limited to certain population groups, such as seniors or families, and most only assisted those with a rental lease or mortgage, missing entirely households that were doubled up, or staying in motels or temporary lodging. In addition, most programs conditioned their assistance on the ability of the household to *prove* that they would be able to stabilize and cover their own needs within a very short time, often by the following month.

Research about pathways to homelessness and about the conditions of homeless households indicates that these kind of program restrictions will likely result in most resources going to households that, while facing difficult circumstances, are unlikely to become homeless and enter shelter.

### The Importance of Prevention Targeting

With over 46 million people living below the federal poverty level, the potential number of households that

could face homelessness in a year is quite large. Providing prevention resources to all households that face a housing or financial crisis is not feasible without a dramatic expansion of resources. In fact, however, the number of households that become homeless in any given year is a small fraction of that vulnerable group. Directing limited prevention resources as much as possible to those *most likely* to enter homelessness without assistance is the best ways to make these resources more effective.

The challenge is accurately predicting which of those households that face a crisis are most likely to actually become homeless. Strategies do exist however for more focused targeting. Recent research by [Vanderbilt University](#) on the [New York City homelessness prevention program known as Homebase](#) used statistical analysis to create a more effective screening tool based on the characteristics of those shown to enter emergency shelter. Not every community needs to go to this level of rigor however to improve targeting, however. Communities can improve their ability to prevent homeless episodes by using the conditions or characteristics of their sheltered population as criteria for targeting prevention programs or determining which households should receive prevention assistance. For example, communities typically report that the largest number of households entering shelter are coming most immediately from doubled-up situations but many existing prevention programs do not serve households in these circumstances.

### **Prevention at the Front Door – Using Diversion as a Targeting Strategy**

Another method to increase the chances that the households served are the most likely to become homeless is to engage in diversion by placing the prevention resources as close to the front door of the homeless system as possible. In communities that utilize a coordinated assessment process for their homeless services, this may mean attaching resources to the assessment entity. The assessment can then include whether it is possible to save someone's housing, or move them quickly to a better situation without requiring a stay in emergency shelter. Coordinated entry is a requirement under new legislation known as the HEARTH act and will be a focus over the coming years. See [Framing the Front Door: Coordinated Assessment](#) for more information.

In communities that don't yet have this function, placing prevention resources with shelters or with agencies that partner with shelters can be an effective strategy. Again, these resources should be used when the agency is convinced that failure to assist will cause the household not just to lose their current housing, but to enter homelessness. Prevention programs should also make connections with mainstream program that help households maximize whatever income they have, including linking them with additional benefits for which they qualify and referring them to education and employment programs.

Even with the incorporation of better analysis and diversion strategies, effective homelessness prevention is still a challenging undertaking. It is extremely hard to prove that prevention is working, because of how difficult it is to know whether assisted households would become homeless without assistance. Programs that are seemingly demonstrating successful outcomes can in fact be ineffectively targeting, serving primarily households that would not become homeless. Rapid rehousing approaches, which use similar short-term financial assistance and housing stabilization services for households that have already entered shelter, are more likely to impact the overall rate of homelessness, as they serve households known already to be homeless and have very high rates of success at helping households regain housing.

See [Improving Housing Outcomes with Rapid Rehousing](#) for more information. Investing appropriately in both targeted prevention and expanding rapid rehousing is more likely to result in reductions in homelessness.

### **The Role of Philanthropy**

In some cases, philanthropy may be currently investing in traditionally-structured prevention programs. In those cases, an examination of the rules and procedures of the programs and whether the programs are maximizing their resources through effective targeting may be in order. Philanthropy can also play a role by directing additional resources to prevention programs utilizing targeted strategies.

### **What You Can Do**

Provide support to the community or individual programs on the data analysis process to determine who in your

community are most likely to become homeless and how to use this information to target prevention resources.

- Provide leadership with other funders that fund traditional prevention services that do not reach the highest need households to encourage more collaboration and targeting to address the problem. This may mean helping funders to be willing to be more flexible with their resources – for example, allowing funds to be used to provide short term rental assistance and stabilization supportive services rather than limiting assistance to one-time payments and imposing requirements that target households with fewer needs.
- Provide funding for specific diversion efforts that tie prevention assistance to the “front door” of the shelter system in order to help avoid shelter stays whenever possible.

### **To Learn More**

Prevention Targeting 101

<http://www.endhomelessness.org/library/entry/prevention-targeting-101>

Hennepin County, MN: Promising Strategy for Assessment of the Targeting of Homelessness Prevention Resources

<http://www.endhomelessness.org/library/entry/hennepin-county-mn-promising-strategy-for-assessment-of-the-targeting->

SAMHSA webinar on homeless prevention

[http://www.usich.gov/usich\\_resources/videos\\_and\\_webinars/samhsa\\_webinar\\_on\\_homeless\\_prevention/](http://www.usich.gov/usich_resources/videos_and_webinars/samhsa_webinar_on_homeless_prevention/)

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